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**UNITED STATES DISTRICT COURT**

**DISTRICT OF OREGON**

**UNITED STATES OF AMERICA**

**3:22-CR-00046-HZ**

v.

**GOVERNMENT'S  
SENTENCING MEMORANDUM**

**FAYAO RONG**

**Defendant.**

**Introduction**

52-year-old Fayao Rong is before the Court for sentencing as a large-scale marijuana manufacturer who purchased multiple residential properties in the District of Oregon and converted them to marijuana growing operations destined for sale/profit outside the district. There are no disputes between the parties regarding the facts of the case or the advisory guideline calculations at sentencing. Because defendant has no prior criminal history the government agrees to recommend a 2-level reduction per the zero-point amendment to the USSG advisory guidelines which will take effect in November 2023. At sentencing, the government respectfully recommends the Court sentence defendant to a low end 37-month prison term, followed three years of supervised release, order him to pay the \$100 fee assessment, as well as the requested forfeiture.

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## The Charges

On February 9, 2022, a federal grand jury returned an indictment charging defendant in Counts 1 and 2 with possession with intent to distribute marijuana and conspiracy to do the same, in violation of 18 U.S.C. § 841(a)(1), and 846 (b)(1)(A)(viii), as well as a forfeiture allegation.

## Summary of Facts

The Oregon State Police in conjunction with the Northwest Region Marijuana Team and with help from law enforcement partners at the DEA, Polk County Sheriff's Office, and the Columbia County Sheriff's Office, executed search warrants at twenty-five (25) residential locations in Oregon and one (1) in Houston Texas (defendant's residence) on September 8 and 9, 2021. During the execution of search warrants, investigators seized approximately 32,316 marijuana plants and 1,804 pounds of bulk marijuana, 23 firearms, 3 vehicles seized for forfeiture, and Bulk Cash in the amount of \$353,000.00.

The investigation identified defendant Rong as a co-conspirator with others in the marijuana growing operations in Oregon. Defendant Rong was identified as an organizer and leader of the conspiracy. At his arrest, he confessed to purchasing residences in Oregon and manufacturing marijuana. Although he resided in Houston, he worked with others to help carry out the day-to-day functions of the growing and distribution conspiracy in Oregon and interstate.

Co-conspirator Rui Liang obtained materials for the growing operations and coordinator truckers for shipment and distribution. He confessed to working for Rong and admitted that the \$100,000 in his safe was money Rong gave him to pay employees. Ken Chen worked for Rong as an electrician/construction worker. He was paid \$230/day by Rong. He ordered concrete deliveries for multiple grow locations and ordered thousands in electrical wire, conduits, and building supplies. Jaejin Chen confessed to being a mid-level manager for Rong and running the

southern area grows and delivering money for the DTO. Said he was approached by Chi Teng Liao to work at the MJ grows. Rong paid him money for down payment on two Ford Transit Vans. Li Chang Chen admitted to being hired directly by Rong and worked as a manager at the 91844 Rulyville, address in Oregon. He was paid \$3,000 cash every month. Chen traveled to and from the Columbia County grow sites and was observed picking up large amounts of growing supplies from Powell's Garden Center.

### **The Plea Agreement**

The parties entered into a plea agreement in which defendant agreed to enter a plea of guilty to Count 1 of the indictment. The parties agree to the following advisory guideline provisions:

Base Offense Level per USSG § 2D1.1(c)(4):	32
USSG §2D1.1(b)(12) Increase for Maintaining Premise	2
3553 Reduction	- 2
USSG – Zero Point Criminal History Reduction	- 2
Acceptance of responsibility per to USSG § 3E1.1:	<u>- 3</u>
Adjusted Offense Level	27

According to the PSR, the probation department determined defendant has no prior criminal history falls within criminal history category I. An adjusted base offense level of 27 coupled with a CHC of I and other agreed reductions between the parties produces an advisory guideline range of 37-46 months imprisonment.

### **Government's Recommended Sentence**

Defendant at 52 has committed a very serious. Because defendant has no prior criminal history and has performed well on supervised release, the government is not recommending a role adjustment or increase. Based on the agreement between the parties, the government recommends a low end 37-month prison sentence, followed by three years of supervised release, a \$100 fee

assessment, and forfeiture. The recommended 37-month sentence does not capture the full and true nature of the quantity of drugs distributed by Rong and/or others over time and during the overall conspiracy. However, considering all the 3553 factors, it is a reasonable sentence for this defendant considering his lack of criminal history and the seriousness of this crime.

### **Conclusion**

Based on the foregoing, the government recommends that this Court impose a 37-month term of imprisonment followed by three years of supervised release, order him to pay the \$100 fee assessment, as well as order the requested forfeiture.

Dated: July 5, 2023.

Respectfully submitted,

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*/S/ Kemp L. Strickland*  
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